

MINUTES
Board of Regents
November 4, 2016

The Board of Regents of Washington State University (WSU or University) met pursuant to call in Open Meeting at 8:00 a.m. on Friday, November 4, 2016, at WSU Pullman, Compton Union Building, Room 204, Pullman, Washington.

Present: Regent Lura Powell, Chair; Regents Don Barbieri, Ted Baseler, Brett Blankenship, Narek Danielyan, T. Ryan Durkan, Ron Sims, and Mike Worthy; President Kirk H. Schulz. Also present via teleconference: Regents Scott Carson and Laura Jennings.

I. OPENING

A. Report from the Chair of the Board of Regents. Chair Powell provided welcoming remarks to the audience and extended a special welcome to the Board's newest Regent, Brett Blankenship.

Chair Powell reported on the following events Regents have participated in since the September Board meeting.

- September 28-30: Regents Scott Carson and Harold Cochran participated in the WSU Foundation Board of Directors Annual Meeting. Chair Powell noted Regent Cochran was honored for his dedicated service on the WSU Foundation Board of Directors as well as his service on the WSU Foundation Investment Committee.
- September 30: Chair Powell and Regents Scott Carson, Harold Cochran and Ted Baseler attended the Annual WSU Foundation Recognition Gala. Chair Powell reported it was truly a wonderful event and celebration of the strong support by alumni and friends of WSU.
- October 12: Chair Powell reported she had the great opportunity to attend the groundbreaking ceremony for the WSU Tri-Cities Student Housing Complex.
- October 17: Regent Ryan Durkan attended the Achievement Rewards for College Sciences (ARCS) luncheon in Seattle. Chair Powell said the ARCS program offers financial incentives to graduate student and further encourages the study of science, medicine and engineering. She said Regent Durkan reported the luncheon was wonderful and that our WSU scholars are amazing.
- October 18: Regent Ron Sims presented the keynote speech at the Healthiest Companies in Southwest Washington Awards Reception and Showcase in Vancouver. Chair Powell said Regent Sims discussed the topic of reducing healthcare costs by investing in employee well-being and said he did a wonderful job connecting health to community engagement as well as

- connecting his personal experiences to his professional experiences regarding healthy living.
- November 2: Chair Powell and Regents Don Barbieri and Brett Blankenship attended the Association of Faculty Women's meeting in Pullman.

Chair Powell further reported that on October 19, the Liaison Committee on Medical Education (LCME) granted preliminary accreditation to WSU allowing the university to move forward with seating the first Elson S. Floyd College of Medicine class in August 2017. She said this was truly a historic day for WSU.

In conclusion to her report, Chair Powell reminded the audience that the Board would hold a public comment period at the end of the meeting.

B. Report from the President of the University. President Schulz also provided welcoming remarks and said he appreciates the opportunity to provide updates on key initiatives at WSU.

"Drive to 25": President Schulz reported he and Provost Dan Bernardo completed 16 town hall meetings with colleges and units across all five WSU campuses. He estimated that they met with around 1,500 faculty, staff, and students. He said the meeting included time with college and campus leadership, as well as open forum meetings to discuss opportunities and challenges each area faces. President Schulz said he will conduct town hall meetings on an annual basis and believes it provides the opportunity for the President and Provost to interact in a much more regular fashion with faculty and staff. President Schulz further reported the most frequently mentioned topics included: ways a college or campus can support the "Drive to 25"; proposed metrics to measure WSU's progress; incentivizing faculty to participate in student research; faculty recruitment and retention; and the Athletics' budget deficit. Town hall takeaways included: the need for additional research and teaching facilities; new public-private partnerships; increased philanthropic giving to support facilities; faculty diversity; undergraduate student retention; graduate student issues including recruitment, retention, stipends, and health insurance; and research support.

Elson S. Floyd College of Medicine: President Schulz also highlighted that the Liaison Committee on Medical Education (LCME) announced preliminary accreditation on October 19, 2016, and that the Association of American Medical Colleges (AAMC) approved WSU membership on October 28, 2016. He said WSU will now focus on admitting 60 students which will be a giant step toward delivering greater access to health services to medically underserved communities. President Schulz reported next steps include: finalizing additional affiliation agreements; finalizing creation of student support services at campuses; continued fundraising efforts; and welcoming the first students in August of 2017.

Vice Presidential Searches: President Schulz reported he was pleased to announce Stacy Pearson as WSU's new Vice President for Finance and Administration. He said Ms. Pearson brings with her 12 years experience in a similar position at Boise State University, has extensive experience with campus master planning, implementation of new information technology initiatives to improve functionality of administrative information systems, was the 2013 Idaho Business Review's Woman of the Year, is a certified public accountant, holds a master's degree in Public Administration from Boise State University and a bachelor's degree in Business Administration from the University of Idaho. President Schulz reported Ms. Pearson will start at WSU March 1, 2017. President Schulz further reported the university is on track to hire a Vice President for Student Affairs in December and a Vice President for Marketing and Communications in January or early February of 2017.

II. CONSENT AGENDA.

Chair Powell reported there were three items on the Consent Agenda.

- A) Approval of Minutes – September 16, 2016, Board of Regents Meeting
- B) Proposed Degree Name Change – Master of Arts in Foreign Language and Culture to Master of Arts in Hispanic Studies
- C) Proposed Degree Name Change – Bachelor of Arts in Apparel, Merchandising and Textiles to Bachelor of Arts in Apparel, Merchandising, Design and Textiles

Chair Powell asked if any Regent wished to remove any item on the Consent Agenda to be considered separately. Hearing no requests, it was moved and seconded that the Consent Agenda be approved. Carried.

III. REPORTS FROM SHARED GOVERNANCE GROUPS. Representatives from each of the University groups—Foundation Board of Governors, Faculty Senate, Administrative and Professional Advisory Council, Associated Students of WSU, Graduate and Professional Student Association, and the Alumni Association—reviewed their reports as submitted. (*Exhibit A*)

IV. EXECUTIVE AND GOVERNANCE COMMITTEE REPORT. Chair Powell reported the Executive and Governance Committee was recommending approval of the Board of Regents' Appointments to the WSU Foundation Investment Committee.

Board of Regents Appointments to the WSU Foundation Investment Committee

It was moved and seconded that the Board of Regents approve the appointment of Regent Scott Carson and re-affirm the appointment of William O. Ward to the WSU Foundation Investment Committee. Carried. (*Exhibit B*)

V. STUDENT AFFAIRS AND STUDENT LIFE COMMITTEE REPORT. Regent Barbieri reported the Student Affairs and Student Life Committee heard presentations provided by WSU Vancouver Vice Chancellor for Student Affairs Nancy Youlden and WSU Spokane Vice Chancellor for Student Affairs Jim Mohr regarding the Student Affairs structure at each campus. Regent Barbieri further reported that Interim Vice President Melynda Huskey provided the committee with an update on WSU Health and Wellness Services.

VI. RESEARCH AND ACADEMIC AFFAIRS COMMITTEE REPORT. Regent Sims acting as Chair for the Research and Academic Affairs Committee for Regent Jennings reported the committee had a very full meeting. He said the committee spent a great deal of time discussing with Vice President for Research Chris Keane how the “Drive to 25” campaign is organized and the goals the University needs to achieve with respect to research. Regent Sims further reported the committee heard a presentation on the WSU–Spokane Falls Community College collaboration presented by Provost Dan Bernardo. Lastly, Regent Sims reported the committee heard presentation on two Action Items regarding proposed Degree Name Changes: Master of Arts in Foreign Languages and Cultures to Master of Arts in Hispanic Studies; and Bachelor of Arts in Apparel, Merchandising and Textiles to Bachelor of Arts in Apparel, Merchandising, Design and Textiles. He said the committee during its meeting recommended approval of both Action Items and that they be added to the Consent Agenda. [See above action taken on the Consent Agenda.]

VII. INSTITUTIONAL INFRASTRUCTURE COMMITTEE REPORT. Regent Worthy acting as Chair for the Institutional Infrastructure Committee for Regent Carson reported the committee discussed two Information Items. He said the first Information Item centered on the significant investment WSU will make in upgrading its information technology systems as they relate to finance and human resource systems. He said WSU is long overdue for these improvements and there is an active effort to engage in how WSU should undertake the process. Regent Worthy also reported the committee heard a presentation on mixed use development.

VII. FINANCE AND COMPLIANCE COMMITTEE REPORT. Regent Worthy reported that the Director of Internal Audit Heather Lopez presented the Finance and Compliance Committee with an Internal Audit update. He further reported the committee heard a Future Action Item on FY 2018 Housing and Dining Rates presented by Interim Vice President for Student Affairs Melynda Huskey and Associate Vice President Terry Boston. Lastly, Regent Worthy reported the committee heard presentations on two Action Items and forwarded the same to the Board for consideration.

WSU Pullman, Soccer Field Improvements, Phase Two, Construction Revised Project Budget

It was moved and seconded that the Board of Regents adopt resolution #161104-535 to approve the revised project budget of \$3,000,000, authorize the project to proceed to construction, and further delegate authority to the President or his designee to enter into any and all contracts necessary to complete the project, within the budgeted amount. Carried. *(Exhibit C)*

WSU Pullman, Chief Joseph Village Buildings B & C

It was moved and seconded that the Board of Regents adopt resolution #161104-536 to approve the Chief Joseph Renovation Buildings B & C project with a total budget not to exceed \$12,300,000, and authorize the project to proceed to construction, and further delegate authority to the President or his designee to enter into any and all contracts necessary to complete the project, within the budgeted amount. Carried. *(Exhibit D)*

IX. STRATEGIC AND OPERATIONAL EXCELLENCE COMMITTEE REPORT. Regent Baseler reported that Vice President for International Programs Asif Chaudhry provided the committee with a presentation on a new WSU initiative with INTO University Partnerships, a private global education company, to increase WSU's international diversity. The initiative will increase the exposure of students throughout the WSU statewide system to international perspectives, thereby better preparing them to work in environments around the globe and collaborate with colleagues from different cultures. Regent Baseler further reported the committee heard a presentation on a Future Action Item, Board of Regents Policy on Delegation of Authority presented by Senior Assistant Attorney General Danielle Hess. In conclusion, Regent Baseler reported Vice President for University Advancement and WSU Foundation Chief Executive Officer John Gardner presented the Committee with two Action Items regarding operating agreements for the WSU Alumni Association and the WSU Foundation and forwarded the same to the Board for consideration.

WSU Alumni Association Operating Agreement

It was moved and seconded that the Board of Regents adopt resolution # 161104-537 delegating authority to the President to finalize the Washington State University – Washington State University Alumni Association Operating Agreement in substantially the same terms as presented to the Regents. Carried. *(Exhibit E)*

WSU Foundation Operating Agreement

It was moved and seconded that the Board of Regents adopt resolution # 161104-538 delegating authority to the President to finalize the Washington State University – Washington State University Foundation Operating Agreement in substantially the same terms as presented to the Regents. Carried. *(Exhibit F)*

X. OTHER BUSINESS. Chair Powell reported the Regents met in Executive Session on Thursday, November 3, 2016, with legal counsel to discuss litigation or potential litigation involving the University. She further reported no action will be taken as a result of the Executive Session.

XI. PUBLIC COMMENT PERIOD. Community members and students addressed the Board regarding the suspension of a WSU student athlete.

XII. ADJOURNMENT. The meeting adjourned at 11:47 a.m.

Approved by the Board of Regents at its meeting held January 27, 2017, on the WSU Tri-Cities Campus, at the Consolidated Information Center.

SIGNED COPY AVAILABLE IN THE PRESIDENT'S OFFICE

November 4, 2016

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: WSU Foundation Regents Report

SUBMITTED BY: Lewis Lee, President, WSU Foundation
Chair, Board of Directors, WSU Foundation

The Washington State University Foundation is pleased to report the following:

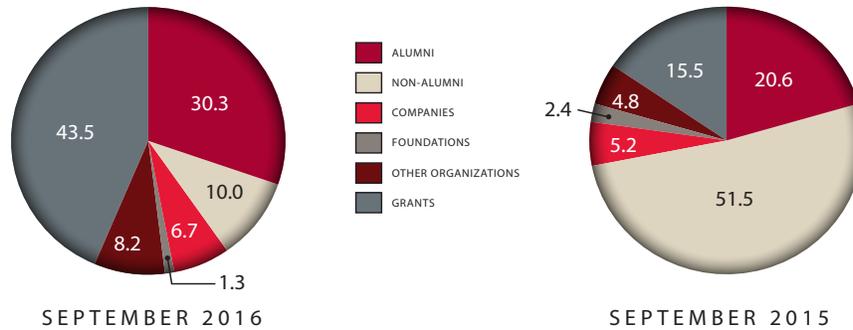
- During Fiscal Year 2017 (July 1, 2016—June 30, 2017) the WSU Foundation has received \$20,429,211 in total fundraising commitments through Sept. 30, 2016. The WSU Foundation's FY 2017 Progress Report is attached.
- The WSU Foundation's endowment market value as of Aug. 31, 2016 was \$431,200,237. The investment return for FY2017 to date was 2.20%, and the three-year investment return to date was 5.20%. Additional endowment performance information can be found at:
<https://foundation.wsu.edu/endowment-performance/>.
- In addition to ongoing efforts to secure private support for WSU's statewide academic, research, and service mission, fundraising priorities for FY 2017 continue to be scholarship and unrestricted support for the Elson S. Floyd College of Medicine, which was granted preliminary accreditation by the Liaison Committee on Medical Education in October. To date, \$5.04 million has been committed toward the first milestone of \$15 million in fall 2017. More about supporting the Floyd College of Medicine can be found at
<https://medicine.wsu.edu/alumni-and-friends>.
- WSU's development efforts are also focused on securing private support for several capital projects, including the Digital Classroom Building, the Schnitzer Museum of Art, and the Elson S. Floyd Cultural Center in Pullman; and the Classroom Building in Everett, which recently received a \$250,000 commitment from The Boeing Company to create the Boeing Innovation Studio—a fabrication lab to be equipped with state-of-the-art technology, including a 3D printer and scanner, concept CNC mill, laser cutter, and more.
- The WSU Foundation Board of Directors will engage in a strategic planning retreat with Foundation leadership, December 2-3, 2016. The next business meeting of the Directors is March 3, 2017 in Tri-Cities, WA. The next meeting of the WSU Foundation Trustees will be May 18-19, 2017, in Vancouver, WA.

WASHINGTON STATE UNIVERSITY FOUNDATION
YEAR-TO-DATE PROGRESS REPORT
 July 1, 2016 - Sept. 30, 2016

FY2017-to-date	9/30/2016	9/30/2015
Gift Totals	\$6,578,468	\$24,541,063
Private Grants	\$8,881,184	\$5,529,869
Sub Total, Gifts & Grants	\$15,459,652	\$30,070,933
Pledge Balance	\$849,559	\$3,020,464
Sub Total Gifts, Grants & Pledges	\$16,309,211	\$33,091,397
Revocable Gifts	\$4,120,000	\$2,685,000
Annual Fundraising Totals	\$20,429,211	\$35,776,397
Other Contributions	\$0	\$0
Annual Total	\$20,429,211	\$35,776,397

Note: These figures are unaudited

FISCAL YEAR CONTRIBUTIONS BY SOURCE
 (AS A PERCENTAGE)



Month Ended August 31, 2016	9/30/2016	9/30/2015
Gift Totals	\$1,977,041	\$18,948,284
Private Grants	\$1,321,064	\$1,345,969
Sub Total, Gifts & Grants	\$3,298,105	\$20,294,253
Pledge Balance	\$720,110	\$1,535,881
Sub Total Gifts, Grants & Pledges	\$4,018,215	\$21,830,134
Revocable Gifts	\$1,520,000	\$1,025,000
Other Contributions	\$0	\$0
Monthly Total	\$5,538,215	\$22,855,134

Endowment Summary	Two Months Ended 8/31/2016	Two Months Ended 8/31/2015
Endowment, Beginning	\$418,880,665	\$412,826,312
Gifts and Other Additions	\$19,525,593	\$3,267,321
Investment Gains (Losses)	\$10,600,444	-\$8,879,016
Distributions to WSU Programs and Advancement Fee	-\$206,465	-\$49,175
Endowment, Ending	\$431,200,237	\$407,165,442
Investment Return, FY2017-to-date	2.20%	0.30%
Three-year return through Aug. 31, 2016 and Aug. 31, 2015	5.20%	9.30%

KEY STATISTICS	9/30/2016	9/30/2015
Alumni of Record Available for solicitation	175,053	172,752
Alumni Participation Rate	2.8%	2.3%
Total Number of FY2017 Donors	14,322	10,764
Total FY Gifts, Grants, Pledges, Revocable Commitments	20,836	17,657

November 4, 2016

ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: Faculty Senate Report

SUBMITTED BY: AG Rud, Chair, Faculty Senate 

The Medical College: After the successful approval of the curriculum map, and the preliminary accreditation by the Liaison Committee on Medical Education (LCME) last week, the senate stands ready to consider approval of the full curriculum of the Elson S. Floyd College of Medicine.

Academic Integrity proposals: As reported last time, the Academic Integrity Task Force made proposals to be considered for endorsement by the Faculty Senate, and to be presented for approval to the provost. Those proposals were voted upon favorably by the senate at its October 20 meeting and have been presented to the provost.

Constituent Concerns: At the senate meetings this fall, senators heard the following constituent concerns: parking reduced by building construction enacted and planned for, as well as game day parking inconvenience, on the Pullman campus; the athletic deficit and clarification of plans to deal with it; the elimination of journals in the library and thus incompatibility with the university's Drive to 25; the use of free or open-source courseware and books, possibly favoring cost savings over rigor and academic suitability; and the loss of graduate student health insurance coverage. The journal and graduate student health insurance issues were staved off for a year by the university and the federal government respectively.

Guest Speakers at Senate Meetings: It is important for faculty senators to be informed how the university works. We have invited and confirmed as speakers the president, the provost, the chief budget officer, the dean of libraries, the dean of international programs, and the director of transportation services, and will be pursuing several more leaders from various parts of the university.

Activities of the Senate Officers: As chair, I serve on several university committees, including the search committee for a new vice president for business and finance (just appointed). I met faculty and administrators on the Tri-Cities campus October 31, and will visit the Vancouver, Spokane, and possibly the Everett campus, in the spring.

November 4, 2016

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: ASWSU Report

SUBMITTED BY: Taylor Christenson, President

On behalf of the Associated Students of Washington State University, I would like to report the following:

It's On Cougs: This year's ASWSU Executive Staff has hired on a Director of the It's On Cougs Campaign that has normally fallen under the leadership within the Diversity Affairs Department. We see the issue of sexual violence on our campus as one of the most important and pressing matters we are currently facing and thought it was appropriate to hire a position solely focusing on our It's On Cougs campaign. Recently, we released a video partnering with the PAC12 student governments with student leaders expressing the need to be apart of the conversation. We were the only school to feature an athlete, and that was Luke Falk, which was really exciting for us to partner with athletics.

Mental Health Awareness Week: Our Student Life Department is in the process of planning a weeklong campaign that will take place the first week of November. One our campus last year we lost 5 students on the Pullman campus to suicide and we want to increase our efforts in what we are doing for our students to bring light to this tough issue. The week-long campaign exists to raise awareness about the reality of mental health on college campuses, will highlight available resources we have for our students, suicide prevention training for student leaders and will hopefully engage students in the hard conversation about mental health. We are bringing in the speaker Hakeem Rahim who will speak on the topics on mental health awareness, depression and suicide prevention; he is traveling around the Pacific Northwest to bring light to students who struggle with mental health.

Cougs Vote: We have partnered with the Center for Civic Engagement to put on the "Cougs Vote" campaign. Because it is an obvious election year, we are putting on several events up until voting day in November to get our students on campus engaged civically. We have held 3 different debates between the College of Republicans and Young Democrats to increase student engagement across campus. We released a video on October 20th expressing the need to vote in this pivotal election including leaders around campus.

S.H.A.P.I.N.G. Conference: ASWSU helps put on 3 student led conferences over the course of the academic year. The weekend of October 21-23, the first conference of the year was held. Standing for Shaping High School Asian Pacific Islanders for the Next Generation, this conference exists to do exactly that. The ASWSU committee, Asian Pacific American Student Coalition (APASC), houses a committee that puts this conference on completely. The conference encourages high school students around Washington State to come to WSU for a weekend to see what higher education is all about. The goal is to get all students to go through the application process at WSU, with the intention to attend WSU when they go to college. Ultimately the conference empowers minority students to pursue higher education, whether that be WSU, or another University, these conferences exists to get these students to put a value

on pursuing education after graduating high school. This year, we had just about 150 high school students attend the SHAPING Conference.

DEAR WSU: We have set the date for our annual “student feedback” campaign for November 14-18. We hope to engage students to express changes they want to see on campus, whether that is in classes, where they are living or all around student life. Often times student government leaders don’t hear the concerns of the general students, so this program exists to bring light to what students are saying about WSU.

November 4, 2016

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: GPSA Report

SUBMITTED BY: Melanie Thornton, President

On behalf of GPSA, I would like to thank the Board of Regents for your continual support of graduate and professional students. It is with great pleasure that I report the following:

Legislative Affairs

On October 12th, GPSA hosted a graduate student health insurance town hall attended by approximately 130 graduate students. A panel of administrators from the Graduate School and Health & Wellness Services answered questions from graduate students regarding the future of graduate student health care at WSU.

On Friday, October 21st, the U.S. Department of Labor issued an indefinite extension, effectively allowing universities to continue offering subsidized health insurance to students. This is not a permanent solution, but is an excellent outcome nonetheless. We are proud that our advocacy efforts paid off, and we will continue to seek a permanent solution at the federal level.

Professional Development

The Professional Development Initiative has been off to a great start, we have served over 400 graduate-professional students, of which 66 have joined remotely via the live stream. We have received financial co-sponsorship from the following colleges: CAHNRS, Arts & Science, Carson Business, Communication, Education, Voiland Engineering & Architecture, Graduate School, Pharmacy, and Veterinary Medicine. Here is a list of the workshops for this semester: Campus Resources, Industry Job Series x3, Time Management, Personal Finance, Academic Integrity, Managing Effective Groups, Writing Series x3, Versatile PhD, and Understanding Diversity. We have 13 workshops planned for Spring 2017. GPSA is working to create a sustainable budget plan for PDI for the next 2-5 years. I want to give personal kudos to Shantel Martinez, GPSA Director of Professional Development, and Davi Kallman, Graduate School PDI Graduate Assistant, for their time, hard work and dedication to ensure the success of this initiative. Please see our website for more information: gradschool.wsu.edu/pdi

Programs and Services

Travel Grants: During the Summer 2016, GPSA granted over \$60,000 to 101 graduate students and 32 professional students.

President's Student Advisory Board

Student Government Council and President Schulz have decided to continue the President's Student Advisory Board. The Council has decided to centralize the application process for *all* students. As Chair of the Council, Melanie has been working with the President's Office, Student Affairs and University Communication to organize the application process, and to develop a communication and marketing plan to encourage students to apply to join the Advisory Board. This Board will officially start meeting in Spring 2017.

November 4, 2016

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: APAC Report

SUBMITTED BY: Ray Acuña-Luna, Chair, Administrative Advisory Council

Distinguished members of the Board of Regents, President Schulz and Provost Bernardo,

It is my pleasure to report the following on behalf of the Administrative Professional Advisory Council:

The APAC forums have now been officially scheduled and are as follows:

- November 4, 2016 – Tri-City. Time TBA
- November 9, 2016 9:00-10:30am – Spokane
- December 6, 2016, 2:00-3:30pm – Vancouver
- November 29, 2016- Pullman. Time 8:30am-10:00am
- Everett: March. TBA

The purpose of these forums are:

- a. Provide a space for all AP voices to be heard; to feel included in the conversations that occur with upper level administration;
- b. Provide input on the ways we offer programming and professional development opportunities;
- c. Connect APAC council representatives at each campus with their AP constituencies so that non-council members know who and how to contact APAC

We are incredibly thankful to President Schulz for his support on this endeavor. Throughout the process, he has been so helpful and encouraging as well as providing funding to complete these forums. During the next few weeks, we will be working with university departments and APAC Council representatives to develop marketing and content for these forums.

APAC is currently conducting our annual AP Survey. The survey is designed to gather additional information from Administrative Professionals on how they would like APAC to serve them. The survey will remain active for the next couple of months and later analyzed and implement new initiatives as necessary.

Finally, APAC participated in currently undergoing searches: VP for Marketing and Communication and the Business Modernization Feasibility Study. We are thankful to be included in the discussions and looking forward to continuing participating in the process.

November 4, 2016

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: WSU Alumni Association Progress Report

SUBMITTED BY: Diane Kolb, WSUAA President

WSU alumni love WSU. The WSU Alumni Association is fortunate to serve alumni who have such a fervent desire to support their alma mater in so many ways.

Driving Scholarships

The all-Crimson Cougar plate can be seen on nearly 21,000 vehicles across the state. That's more than all other collegiate plates combined in the state of Washington and more than twice as many as the University of Washington. With \$28 from every Cougar plate going to support scholarships, WSU received \$603,000 to fund scholarships last year alone! Cougar plates are a great way for alumni and friends of WSU to show Cougar Pride and support scholarships.

The WSUAA *Leadership Scholarship Program*, unique at WSU, supports the student leaders of today who will become the alumni leaders of tomorrow. \$200,000 is awarded to student leaders from first year to graduation, in-state and out-of-state, across the campuses. Each year award amounts and distribution are reviewed by the WSUAA Scholarship Committee and reflect the priorities of the University. The WSUAA is responsible for administering 97 awards totaling over \$450,000.

A Fantastic Fall of Connecting Cougs

Fueled in part by WSU's success on the gridiron, WSUAA events during the fall of 2016 are engaging more alumni both home and away. *The Feast*, a series of four-course dinners on the Pullman campus prepared by WSU Executive Chef Jamie Callison and his talented students paired with exceptional wines by Cougar-connected wineries has again sold out. *The PreGame*, a series of rallies held before every away football game, has been hugely successful and continue to break records. From the record revenue and attendance at the Boise State venue to the 1,100 Cougs at the Arizona State event, *The PreGame* is the place to be for traveling Coug fans. Cougs are also gathering to watch all televised games at WSUAA events across the country. *Viewing Parties* are conducted at an average of 50 locations each week. Late start times aren't deterring attendance even on the East Coast—dedicated Cougs show up early and stay until the end. Reflecting the WSUAA's impressive membership growth, the *Platinum Life and Life Member Homecoming Reception* continues to attract record crowds each year. This year, 400 attendees were treated to Cougar III wine from Bergevin Lane Vineyards.

WSUAA — Fueling Cougar Pride in Support of WSU

ACTION ITEM #1

Board of Regents Appointments to the WSU Foundation Investment Committee (Kirk H. Schulz)

November 4, 2016

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: Board of Regents Appointments to the WSU Foundation Investment Committee

PROPOSED: That the WSU Board of Regents appoint Regent Scott E. Carson and re-affirm the appointment of William O. Ward to the WSU Foundation Investment Committee

SUBMITTED BY: Kirk H. Schulz, President

BACKGROUND: Members of the WSU Board of Regents are fiduciaries for University endowed assets that are managed by the WSU Foundation. Responsibility for investment and management of those funds lies with the WSU Foundation Investment Committee. Specifically, as provided in the Washington State University Foundation Consolidated Endowment Fund Investment Policy Statement, "the Committee shall be responsible for investments, reinvestments, and general management of all gifted property and assets of the WSU Foundation (except planned gift assets) and those University endowed assets entrusted to the WSU Foundation for management by contract with the University." Further, Regents are responsible for reviewing and approving Regents-appointed members to the WSU Foundation Investment Committee.

Following for your reference is an excerpt from Investment Policy Statement regarding the composition and duties of the Investment Committee:

2.2.1 Composition

The Committee is comprised of seven (7) appointed members (voting) and between two (2) and four (4) ex officio members (non-voting). The Regents appoint two (2) of these voting members, one of whom must be a member of the Regents, the other who may be a Regent or a volunteer with investment experience selected upon consultation with the Committee, subject to notice to the Governors.

These members serve a one-year (1-year) renewable term upon appointment by the Regents. The five (5) other Committee members are appointed by the Governors and are selected from volunteers with investment experience upon consultation with the Committee, and subject to notice to the Regents. These members serve three-year (3-year) renewable staggered terms for a maximum of three (3) terms. Ex officio (non-voting) seats are designated by the Governors pursuant to the Charter and shall always include at least one (1) University representative. As of the date of the adoption of this Investment Policy, the Executive Director of Budget and Planning of the University, the CEO of the WSU Foundation, and the Associate Vice President for Finance of the WSU Foundation are ex officio. The Committee Chair serves for one (1) two-year (2-year) term and is appointed by the Chair of the Governors. The Committee Chair must be a member of the Governors. The Associate Vice President for Finance of the WSU Foundation serves as Secretary to the Committee. Four (4) voting members are required for a quorum.

2.2.2 Duties

The Committee is responsible for the management and investment of the Fund. It may delegate fulfillment of investment and administrative tasks to others. The Committee's responsibilities with respect to the Fund's assets include completing each of the duties below in a prudent manner:

- Exercise ordinary business care and prudence under the facts and circumstances prevailing in managing and investing the assets of the endowment. Specific factors guiding the Committee in managing and investing the assets are:
 - General economic conditions;
 - Effects of inflation and deflation;
 - Expected tax consequences of investment decisions;
 - Role of each investment in fund portfolio;
 - Expected total return from income and growth of investments;
 - Other University resources;
 - Needs for the fund to make distributions and preserve capital;
 - An assets special relationship or special value to the University's mission;
 - To incur only costs that are appropriate and reasonable in relation to the Fund's assets;

- Make reasonable effort to verify facts relevant to the management and investment of the Fund; and
- Annually (each December) review Investment Policy Statement.
- Act in good faith and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances in delegating management and investment of the Fund to an external agent in:
 - Selecting the agent;
 - Establishing the scope and terms of the delegation; and
 - Reviewing and monitoring the agent's performance.
- Act in good faith and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances in making decisions to appropriate for expenditure or accumulate Fund assets, taking into consideration:
 - Duration and preservation of the endowment fund;
 - Purposes of the University and the endowment fund;
 - General economic conditions;
 - Possible effect of inflation or deflation;
 - The expected total return from income and the appreciation investments;
 - Other resources of the University
 - This Investment Policy.
- Comply with all applicable state and federal laws, regulations, and rulings that relate to the Fund's investment management process.
- Recommend Investment Policy changes to the Governors and the Regents.
- Operate within the allocation ranges of the Investment Policy.
- Establish and regularly review objectives, asset allocation, and guidelines for the investment of the Funds' assets.
- Establish and regularly review manager structure guidelines for the Fund's components.
- Establish and comply with policies addressing issues that may result in perceived or actual conflicts of interest (including but not limited to relationships with investment managers or other firms doing business with the Fund and receipt of gifts or entertainment above a certain dollar value from firms doing business with the Fund) and other governance issues.
- Select qualified external investment managers to manage the Fund's assets.
- Select other service providers it deems appropriate to carry out its function, including, but not limited to, independent investment consultant(s).
- Meet quarterly to evaluate policy compliance, review progress in achieving the Fund's goals, and assess the effectiveness of the investment program.

- Evaluate the Fund's performance and the performance of the professionals hired to assist the Committee in managing the Fund's investment program.
- Communicate on a regular basis with the investment managers and investment consultant.
- Periodically review and evaluate ongoing understanding and relevance of investment policies of commingled funds in which Fund assets are invested.
- Take appropriate action if objectives are not being met or if policy and guidelines are not being followed.

Attachment: William O. Ward Bio

ACTION ITEM #1

WSU Pullman, Soccer Field Improvements, Phase Two, Construction Revised Project Budget (Olivia Yang/John Johnson)

November 4, 2016

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: WSU Pullman, Soccer Field Improvements, Phase Two, Revised Project Budget

PROPOSED: That the WSU Board of Regents approve the revised project budget of \$3,000,000, authorize the project to proceed to construction, and delegate authority to the President or his designee to enter into any and all contracts necessary to complete the project, within the budgeted amount

SUBMITTED BY: Olivia Yang, Interim Vice President for Finance and Administration

BACKGROUND: On October 30 2015, the Board of Regents authorized the construction of Soccer Field Improvements, Phase Two at a total project budget of \$1,600,000. That budget was based on a master plan effort and a predesign specific to the Soccer facility. Subsequent estimates were performed throughout the design of the project to keep the project within the established budget. The project scope was adjusted to fit that budget. The project was bid and all bids received were over the budgeted amount.

Upon analysis of the bids received, we believe that the overage had two primary causes: (1) the construction of the required foundation system based on the existing soils condition is more costly than originally budgeted; and (2) the access to the project site without impacting existing facilities and roadways has a higher premium than originally budgeted.

The previous design adjustments had removed the public restrooms from the project scope.

This proposed revised budget of \$3,000,000 accounts for the foundation and access issues and adds back in the public restroom.

Project Budget:

Construction (including contingency & sales tax)	\$ 2,600,000
Professional Services	\$ 190,000
Project Management	\$ 140,000
Other	\$ 70,000
Total Project Budget	\$ 3,000,000

Source of Funds:

Departmental	\$ 3,000,000
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Aerial Site Map



Board of Regents

WSU Pullman, Soccer Field Improvements, Phase Two, Construction Revised Project Budget

Resolution #161104-535

WHEREAS, the Board of Regents of Washington State University by virtue of RCW 28B.10.528 has authority to delegate by resolution to the President of the University, or designee, powers and duties vested in or imposed upon the Board by law and to enable the President, or designee to act on behalf of the Board of Regents in matters relating to the administration and governance of the University.

RESOLVED: That the WSU Board of Regents approve the revised project budget of \$3,000,000, authorize the project to proceed to construction, and delegate authority to the President or his designee to enter into any and all contracts necessary to complete the project, within the budgeted amount.

Dated this 4th day of November, 2016

Chair, Board of Regents

Secretary, Board of Regents

ACTION ITEM #2

WSU Pullman, Chief Joseph Village Buildings B & C (Olivia Yang)

November 4, 2016

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: WSU Pullman, Chief Joseph Village Buildings B & C

PROPOSED: That the Board of Regents approve the Chief Joseph Renovation Buildings B & C project with a total budget not to exceed \$12,300,000, authorize the project to proceed to construction, and delegate authority to the President or his designee to enter into any and all contracts necessary to complete the project, within the budgeted amount.

SUBMITTED BY: Olivia Yang, Interim Vice President for Finance & Administration

SUPPORTING INFORMATION: Chief Joseph Village is a 95,882 square foot apartment complex built in 1971, which consists of five residence buildings that contain 96 units of two and three bedroom units for a total of 204 beds. After a fire damaged Building D in 2010, it was renovated in 2011 to include new amenities and code and energy upgrades.

As part of the Student Housing Long Range Plan, WSU identified the renovation of the remaining four existing buildings of Chief Joseph Village as a priority. The Design Build method was used in 2012 to hire BNBuilders to renovate the four existing buildings and construct one new residence building over a three-year period for a total project value of \$20 million.

BNBuilders completed the new residence building (Bldg F) and the renovation of one existing building (Bldg E) before abandoning the project. In early 2016, the University settled their claim against BNBuilders, and plans to complete work on two of the remaining three (Buildings B & C) using the traditional Design-Bid-Build method.

The renovation of Building A will be completed at a later date.

Project Schedule:

Advertise for Bids	September 2016
Begin Construction	November 2016
Complete Construction	July 2017
Occupy new building	August 2017

Project Budget:

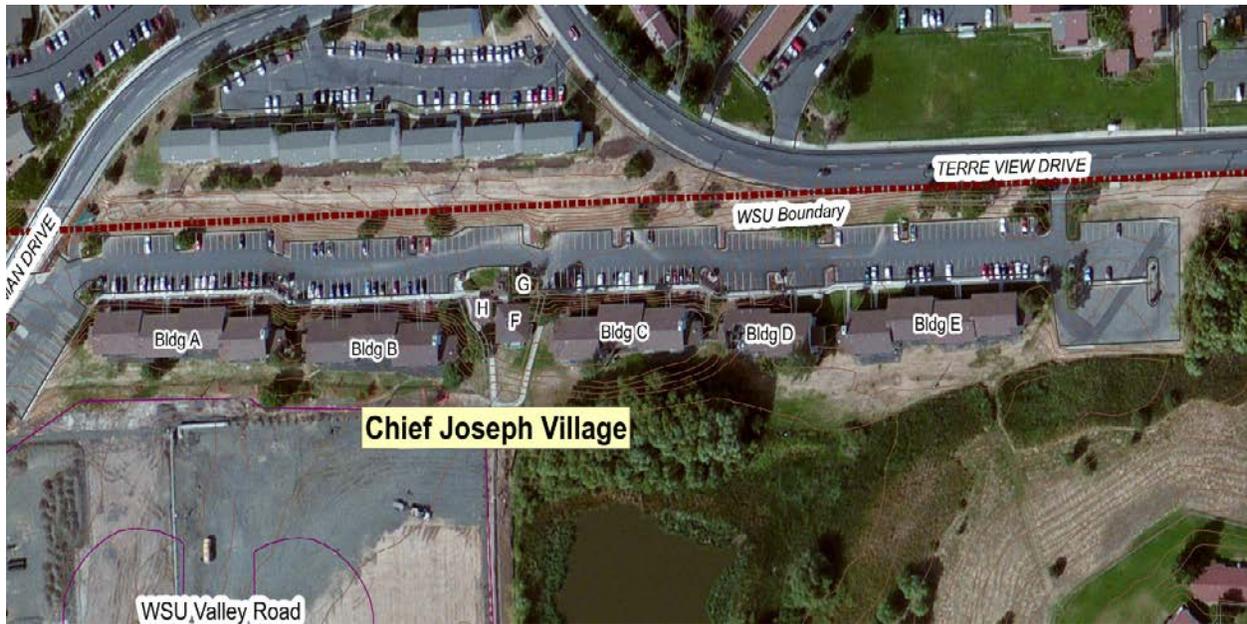
Design	\$ 451,000
Construction (including contingency & sales tax)	\$10,399,000
Furnishings and Moveable Equipment	\$ 385,000
Other Costs (including field & coordination cost, builder's risk insurance)	\$ 468,000
Project Management / Agency Fee	\$ <u>597,000</u>
Total Project Budget	<u>\$12,300,000</u>

Source of Funds:

Chief Joseph remaining funds	\$ 7,394,004
Global Scholars Hall (Northside 2) remaining funds	\$ 1,849,657
Additional Housing cash reserves	\$ <u>3,056,339</u>
Total Source of Funds	\$12,300,000

The Aerial Site is appended as Attachment A

Attachment A



Board of Regents

WSU Pullman, Chief Joseph Village Buildings B & C

Resolution #161104-536

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RESOLVED: That the Board of Regents approve the Chief Joseph Renovation Buildings B & C project with a total budget not to exceed \$12,300,000, and authorize the project to proceed to construction, and further delegate authority to the President or his designee to enter into any and all contracts necessary to complete the project, within the budgeted amount.

Dated this 4th day of November, 2016.

Chair, Board of Regents

Secretary, Board of Regents

ACTION ITEM #1

Proposed Washington State University-Washington State University Alumni Association Operating Agreement (John Gardner)

November 4, 2016

TO ALL MEMBERS OF THE BOARD OF REGENTS

SUBJECT: Proposed revisions to the Washington State University-Washington State University Alumni Association Operating Agreement (Agreement)

PROPOSED: That the Board of Regents delegate authority to the President to finalize the Washington State University – Washington State University Alumni Association Operating Agreement in substantially the same terms as presented to the Regents.

SUBMITTED BY: John Gardner, Vice President for Advancement

SUPPORTING INFORMATION: The operating agreement between Washington State University (WSU) and the Washington State University Alumni Association (WSUAA) outlines the working relationship between the two organizations. The Agreement has been updated with specific attention placed on the following:

- Addition of a three-year term for the Agreement;
- The WSUAA's adoption of WSU Executive Policy #15 prohibiting volunteers from engaging in discrimination, sexual harassment, and sexual misconduct;
- Clarification of the role of the Office of Equal Opportunity in investigating allegations made toward WSUAA volunteers;
- Stipulation that the WSUAA is the university's only officially recognized alumni association;
- Clarification of the WSUAA's role in managing the Cougar vehicle license-plate program and the distribution of scholarship funds from the program;
- WSUAA to adhere to PCI compliance
- Updated requirements for insurance coverage, indemnification, and liability coverage.

Language was revised in consultation with the Attorney General's Office and the WSU Contracts Office. Once signed by the University, the WSUAA president will sign the document.

Attachments: *WSU-WSUAA Operating Agreement* (track changes and clean copies)

BOARD OF REGENTS

Proposed Washington State University-Washington State University Alumni Association Operating Agreement

Resolution #161104-537

WHEREAS, the Board of Regents of Washington State University by virtue of RCW 28B.10.528 has authority to delegate by resolution to the President of the University, or designee, powers and duties vested in or imposed upon the Board by law and to enable the President, or designee to act on behalf of the Board of Regents in matters relating to the administration and governance of the University.

RESOLVED: That the Washington State University Board of Regents delegate authority to the President to finalize the Washington State University – Washington State University Alumni Association Operating Agreement in substantially the same terms as presented to the Regents.

DATED this 4th day of November, 2016.

Chair, Board of Regents

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BOARD OF REGENTS

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DATED this 4th day of November, 2016.

Chair, Board of Regents

Secretary, Board of Regents